

| Report of | Meeting | Date |
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| Director of Finance (Introduced by the Executive Member for Resources, Councillor Alan Cullens) | Executive Cabinet | 7 December 2006 |

BUILDING ON THE BUSINESS PROCESS ARCHITECTURE

PURPOSE OF REPORT

- To inform members about a project currently being undertaken by the Council.

CORPORATE PRIORITIES

- This project links to our corporate objective of ensuring the Council is a performing organisation.

RISK ISSUES

- The issue raised and recommendations made in this report involve risk considerations in the following categories:

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| Strategy | √ | Information | |
| Reputation | √ | Regulatory/Legal | |
| Financial | √ | Operational | |
| People | √ | Other | |

- The main risks for the Council are that the expectations of the project will result in disappointment with the deliverables due to the constraints or that the new organisation structure would be too much of an upheaval. Mitigation for these risks will centre around ensuring that stakeholders are fully aware of what will be delivered and acceptance that the project is simply working in theory and will at least give managers something to consider.

BACKGROUND

- The Chief Executive was a board member of the BPA project sponsored by ODPM, now DCLG, and is now a board member of the National Process Improvement Programme (NPIP) again sponsored by DCLG. NPIP are looking for local authority led projects, which will deliver standards, and capacity that other authorities can take advantage of in improving council processes.
- This project aims to build on the Business Process Architecture (BPA) work previously developed by Blackburn with Darwen Council, Nwegg and Cap Gemini and identify some principles and methodologies that will enable other authorities to improve their customer processes and determine a best delivery model suitable for any District Council. We will produce our own Process Architecture to give the senior management team a decision making tool to change the Council's organisation structure into a more customer focussed, shared service ready and professional authority.

7. Our expectation is that this project will produce a new organisation structure with a defined change management programme such that over the next few years the Council will change to be better placed to respond to the need and expectations of its customers, whilst making optimum use of its resources within the Local Strategic Partnership, County, Regional and National contexts.
8. Other work that will be undertaken during the course of the project will be a set of requests for change to government controlled lists and guidance on rough cut activity based costing, mapping notation and measuring costs in business improvement projects.
9. The DCLG will make a significant contribution of £50k to this project as part of the National Process Improvement Programme, some of which will be received by Chorley Council. Staff along with industry experts will contribute time and effort to ensuring its success. Chorley Council will not be required to make a financial contribution to this project.

WHAT DOES THIS MEAN FOR CHORLEY

10. A series of workshops will take place during November involving staff from all directorates. These will be followed by consolidation workshops in January and finally by a two day “away day” event involving strategy group and senior members.
11. An independent consultant experienced in the design and diagnosis of organisational and business processes will facilitate these workshops and will:
 - produce a map of our processes and how they fit together. This will be our Process Architecture.
 - help us to understand what processes we have and how these processes are related.
 - work with us to analyse our processes and find ways of making them more effective and efficient
 - help us to design new processes for new business goals.
12. Work will also take place to compare the high level of work achieved by Blackburn with Darwen to produce a new standard list of District Council Activity – the Local Government Transaction List.
13. We will then develop a blueprint for a transformed District Council organisation structure, which will include a change programme detailing the work required to implement the blueprint. This will then provide a platform for other district Council’s to consider reorganisation.
14. Rough-cut activity based costing principles will be developed by working with the Greater Manchester e-Government Partnership and the North West e-Government Group. We will use the newly developed transaction list with activity based costing techniques to identify some business process improvement principles and measurements.
15. This project will be a vital tool in our drive to achieve, manage and improve value for money under the proposed framework, which is included in a separate report on this Executive Cabinet agenda.
16. Finally a case study will be developed detailing exactly how we went about this project and any lessons learned which would help any other authorities choosing to follow this path.

COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES

17. There are no HR implications.

RECOMMENDATION(S)

18. That the report be noted

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

19. None

GARY HALL
DIRECTOR OF FINANCE

There are no background papers to this report

| Report Author | Ext | Date | Doc ID |
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| Barbara Charnock | 5457 | 15 November 2006 | ADMINREP/REPORT |